UNITED STATES DISTRICT COURT DISTRICT OF MINNESOTA

IN RE PORK ANTITRUST LITIGATION

This Document Relates to Commercial and Institutional Indirect Purchaser Plaintiffs' Action Case No. 18-cv-1776 (JRT/HB)

DECLARATION OF BRIAN RIPARBELLI IN SUPPORT OF PACIFIC AGRIPRODUCTS, INC.'S MEMORANDUM OF LAW IN OPPOSITION TO COMMERCIAL AND INSTITUTIONAL INDIRECT PURCHASER PLAINTIFFS' MOTION TO COMPEL COMPLIANCE WITH SUBPOENA DIRECTED TO PACIFIC AGRIPRODUCTS, INC.

- I, Brian Riparbelli, declare as follows:
- 1. I am the Chief Financial Officer of Pacific Agriproducts, Inc. ("Pac-Agri"). I submit this declaration in support of Pacific Agriproducts, Inc.'s Memorandum of Law in Opposition to Commercial and Institutional Indirect Purchaser Plaintiffs ("CIIPPs") Motion to Compel Compliance with Subpoena Directed to Pacific Agri-Products, Inc. I am familiar with the facts set forth herein, based on my personal knowledge, involvement in the proceedings, and review of the materials referenced herein.
- 2. Pac-Agri is a family-owned master distributor of major line poultry, pork, beef, and further processed meat products to the Northern & Central California, Pacific Basin, and Far-East areas. The company has a 47-year history, and has built a national reputation for quality and excellence.

- 3. Pac-Agri markets to the food service & retail industry, exporters, military prime vendors, and food manufacturers.
- 4. Significantly, in many markets, Pac-Agri's suppliers—some of which are defendants in this antitrust class action—are also its competitors.
- 5. If competitors could obtain Pac-Agri's confidential margin information, it would cause severe harm to Pac-Agri as those competitors determined how best to undercut Pac-Agri in those markets.
 - 6. I have read the subpoena served on Pac-Agri by the CIIPPs in this action.
- 7. Production of the detailed purchase and sales information called for in Requests Nos. 2 and 4 of the subpoena would necessarily involve production of Pac-Agri's margins across all sales of pork products.
- 8. Pac-Agri's pricing information and in particular margin information is not the result of general pricing formulas, but Pac-Agri's own business efforts, including an experienced and loyal sales staff, volume, and long experience in the business. It is unique to Pac-Agri.
- 9. Pac-Agri's margins are in fact its most important trade secret, and its business would suffer serious, irreparable harm if they were disclosed. If Pac-Agri's competitors learned its margins, they could undercut its pricing and divert business.
- 10. Pac-Agri commonly spends resources to build new brands and promote new items for its vendors. When Pac-Agri succeeds, vendors sometimes attempt to go around Pac-Agri to gain more margin for themselves, and would be helped if they knew Pac-Agri's margins.

- 11. Pac-Agri protects its margin information in several ways:
- (a) Margin information is saved on a secure server onsite, physically protected by locked doors. Keys are only carried by 2 members of high-level management.
- (b) The server is protected by several layers of internet security supported by several appliances. The security measures are updated daily to protect against new threats, and monitored by managed service providers.
- (c) Access to the margin information is password protected using multi-factor authentication, and only granted to individuals who sign a Proprietary Information and Inventions Agreement.
 - (d) Salespersons only have margin information for their particular customers.
- (e) Only the three owners of the company, the Chief Financial Officer, and the Controller, have access to company-wide margin.
- (f) Access to the margin information is immediately revoked upon a previously authorized employee's termination or demotion.
- 12. Over the last 10 years, Pac-Agri has made no purchases from Defendants
 Triumph or Clemens. It has purchased less than 1 million pounds total from Hormel,
 well under 10,000,000 pounds total from JBS, and less than 20 million pounds from
 Seaboard Even as to Smithfield and Tyson, who Plaintiffs allege control half the market,
 Pac-Agri's total purchases by weight over the entire ten-year period come out to less than
 one half of one percent of the annual tonnage Plaintiffs allege for the entire United States.

I declare under penalty of perjury that the foregoing is true and correct. Executed on December 10, 2021.

/s/ Brian Riparbelli

Brian Riparbelli